

111TH CONGRESS
2D SESSION

S. 3777

To amend the Internal Revenue Code of 1986 to increase the threshold amount subject to information reporting at source, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 14, 2010

Ms. LANDRIEU introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the threshold amount subject to information reporting at source, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Information Reporting
5 Modernization Act of 2010”.

6 **SEC. 2. MODIFICATIONS TO INFORMATION REPORTING AT**
7 **SOURCE.**

8 (a) INCREASE IN THRESHOLD AMOUNT.—

9 (1) IN GENERAL.—Subsection (a) of section
10 6041 of the Internal Revenue Code of 1986, as

1 amended by the Patient Protection and Affordable
 2 Care Act, is amended by striking “\$600” in the text
 3 and heading and inserting “\$5,000”.

4 (2) INFLATION ADJUSTMENT.—Section 6401 of
 5 such Code is amended by redesignating subsection
 6 (i) as subsection (j) and by inserting after subsection
 7 (h) the following new subsection:

8 “(i) INFLATION ADJUSTMENT.—In the case of any
 9 calendar year after 2012, the dollar amount in subsection
 10 (a) shall be increased by an amount equal to—

11 “(1) such dollar amount, multiplied by

12 “(2) the cost-of-living adjustment determined
 13 under section 1(f)(3) for such calendar year by sub-
 14 stituting ‘calendar year 2011’ for ‘calendar year
 15 1992’ in subparagraph (B) thereof.

16 If any amount as adjusted under the preceding sentence
 17 is not a multiple of \$100, such amount shall be rounded
 18 to the nearest multiple of \$100.”.

19 (b) COORDINATION WITH RETURNS RELATING TO
 20 PAYMENT CARD AND THIRD PARTY NETWORK TRANS-
 21 ACTIONS.—Section 6041 of the Internal Revenue Code of
 22 1986, as amended by subsection (a)(2), is amended by re-
 23 designating subsection (j) as subsection (k) and inserting
 24 after subsection (i) the following new subsection:

1 “(j) COORDINATION WITH RETURNS RELATING TO
2 PAYMENT CARD AND THIRD PARTY NETWORK TRANS-
3 ACTIONS.—This section shall not apply to any amount
4 with respect to which a return is required to be made
5 under section 6050W.”.

6 (c) ENHANCED TECHNOLOGY.—With respect to re-
7 turns required to be made in calendar years beginning
8 after December 31, 2011, the Secretary of the Treasury
9 shall upgrade the scanning technology of the Internal Rev-
10 enue Service to allow for the submission of generic 1099-
11 MISC forms downloaded from the Internal Revenue Serv-
12 ice website, and shall establish a free online entry and sub-
13 mission mechanism.

14 (d) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to amounts with respect to which
16 a return is required to be made in calendar years begin-
17 ning after December 31, 2011.

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